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AUTHOR	Becker, Bill; Walleri, R. Dan
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ABSTRACT

This memo provides an overview of the fall 2001 planning process covering the 2001-2003 years for Mount Hood Community College (MHCC), Oregon. The paper also provides guidelines for the 2002-2003 budget. Some of the MHCC goals, and their key indicators, are as follows: (1) knowledge-based workforce to meet student and community needs--key indicators are that 95% of MHCC graduates will pass licensure/certification examination results; living wage minimum will be $10 per hour or $400 per week; and 100% faculty will participate in at least one development activity per year; (2) access and diversity for members of the community seeking postsecondary education--key indicators include increased annual enrollment by 3% for 2002-2003; increased market share of local high school graduates by 10%; and increased Jump Start enrollment by 5% for 2002-2003; and (3) student success ensured by providing infrastructure and support services--key indicators include increased overall retention rate by 3%; a minimum of 75% of students receiving a grade of "C" or better; a 10% annual increase in fundraising; and maintenance of a budget target for technology funding. Attachments include templates with guidelines for filling out unit objectives, and associated budget requests and performance indicators. (NB)

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MT. HOOD COMMUNITY COLLEGE
Research & Planning
491-6924

Date: September 24, 2001

To: Administrators' Forum

CC: Dr. Silverman, Shirley Anderson, JoAnn Zahn, Elizabeth Gomez

From: Bill Becker and Dan Walleri

Subject: Operational Planning for 2001-2003 and Budget Development for 2002-2003

This memo provides an overview of the fall 2001 planning process covering the 2001-2003 years, and guidelines for development of the 2002-2003 budget. Supporting materials are attached.

Operational plans for 2001-2003 and budget enhancement requests for 2002-2003 will be prepared using a Word template (see **Attachment I** for additional Instructions and Guidelines and **Attachment II** for template). Plans will be built at the Administrator level (deans, directors – see **Attachment III** for complete list). Administrators, working with area faculty and staff, will respond to the five college goals by developing objectives, which will assist in achieving the college goals. See **Attachment IV** for description of Mission, Vision, College Goals, Action Strategies and Key Indicators. Since the college mission/vision and goals have been significantly revised, first revisit unit plans for 2001-2002 before setting objectives for 2002-2003. For instructional areas that have completed, results from educational assessments should be reviewed with recommendations incorporated as appropriate.

For each objective, the unit must also develop "success indicators" (quantitative or qualitative) to be used in assessing progress and accomplishments related to the objectives. An example of a completed operational plan is provided in **Attachment V**.

The sample unit plan in Attachment V is from HR and illustrates several characteristics of a good unit plan. First, the plan draws from ongoing work within the department related to defining unit mission, objectives and strategies. It is not simply a one-time effort designed to meet planning/budget submission requirements. Second, the plan is tied to and supportive of the college mission/vision, goals and action strategies. Third, the unit objectives are concise and measurable. Finally, the objectives clearly cannot be achieved by the unit acting alone, but rather, will require the cooperation and support of other units across the college. That is, the objectives relate to a larger institutional effort as expressed in the college mission/vision and goals.

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The only budget information to be entered on the Word template is for enhancements needed to implement activities in support of specified objectives. See **Attachment VI** for Budget Development Guidelines. Funds for enhancements in 2002-2003 are expected to be very scarce, thus units should seriously look at reallocation as a means of funding needed enhancements.

Completed plans must be submitted to Research & Planning by **November 13, 2001**. President's Council will then review, develop a list of priority items, and a proposed budget for 2002-2003.

Questions or concerns can be addressed to JoAnn Zahn, Elizabeth Gomez, Shirley Anderson, or Dan Walleri.

INSTRUCTIONS/GUIDELINES

The Quality Criteria Framework for Objectives and Success Indicators

Purpose.
The strategic plan (goals & action strategies) for Mt. Hood Community College(MHCC) is expected to be used to develop the elements of an operational plan for each unit (unit objectives and expected success indicators). The linkage between the strategic plan and the operational plan enables MHCC to track and report its performance. Only consistent and clear linkage between the organization's strategic plan and the units' operational plans will allow a focused cycle of continuous quality improvement efforts for the organization and its units.

Template Guideline

Attachment II is the MS Word 97 template for filling out unit objectives and associated budget request and success indicators. Please follow the steps below:

1. Type your Unit Number(Budget Function Number) and the number of the Goal for which your unit has a performance improvement objective or objectives.

2. Enter the first unit objective associated with the chosen Goal. A unit objective describes what a unit will do or assess to help the organization achieve a goal. An objective should represent a unit action, project, or assessment outcome that can produce observable and measurable results for the unit and MHCC. An objective should not be an aim or a general restatement of a MHCC goal.

3. Enter the success indicator(s) which can be observed and measured by your unit to demonstrate the unit's degree of success in achieving the objective. A unit success indicator describes the degree to which a unit expects to achieve a planning objective or an outcome for assessment. It represents a best estimate of expected performance by unit staff. Multiple success indicators should be developed to assess the different aspects of objective performance in unit planning.

4. Enter the dollar amounts of the additional budget required to achieve the objective, dividing the budget request into four given budget categories. Describe the request.

5. Estimate the percentage of total resources required to achieve the objective that will come from reallocation of current resources, and estimate the percentage of total resources that will be a budget enhancement.

6. Repeat the process for each additional objective under the first goal you have chosen. The template attachment has room for three objectives for each of three different goals.

7. If you choose to respond to an additional goal, please repeat the process starting at step number one above. (Additional templates can be created by cutting and pasting from the MS Word clipboard.

ATTACHMENT II

TEMPLATE FOR YOUR UNIT OBJECTIVES AND SUCCESS INDICATORS

Unit Number:
Goal Number:

1. Objective

1.1 Success Indicator:

1.2 Success Indicator:

Budget Enhancement (see budget guidelines):

(a) Salaries b) Fringe (c)Materials & Service (d)Capital Outlay
Amount:

One-Time (O)/Recurring (R)

Description of Budget Enhancement for This Objective:

Funding Source: Enhancement % Reallocation %

2. Objective

2.1 Success Indicator:

2.2 Success Indicator:

Budget Enhancement (see budget guidelines):

(a) Salaries (b) Fringe (c) Materials & Service (d) Capital Outlay
Amount:
One-Time (O)/Recurring (R)

Description of Budget Enhancement for This Objective:

Funding Source: Enhancement % **Reallocation %**

3. Objective

3.1 Success Indicator:

3.2 Success Indicator:

Budget Enhancement (see budget guidelines):

(a) Salaries **(b) Fringe** **(c) Materials & Service** **(d) Capital Outlay**
Amount:

One-Time (O)/Recurring (R)

Description of Budget Enhancement for This Objective:

Funding Source: Enhancement % **Reallocation %**

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Amount:

One-Time (O)/Recurring (R)

Description of Budget Enhancement for This Objective:

Funding Source: Enhancement % **Reallocation %**

Attachment III

List of Administrative Areas and Administrators for 2001-2003 Operational Plans

Area	Administrator	
Science & Technology	Joe Dunlap	
Business, Computer & Media Arts	Valerie Ward	
Engineering, Computer Sci & Math	Jonathan Parker	
Allied Health & HPE	John Saito	
Language & Literature	Linda Gerber	
Social Science & PVA	Chris Bruya	
Extended Learning & Instr Tech	Anthony Beebe	
Community & Workforce Dev.	Michael Dillon	
Maywood Campus	Mary Doherty	
Library Resource Center	Jackie McCrady	
Enrollment Services	Craig Kolins	
Career Development Services	Patricia Martin	
Student Life	Joe Fischer	
Auxiliary Services	Pat Parmenter	
Computer & Telecommunications	Bill Snyder	
Facilities Management	Don Wallace	
Fiscal Operations	Phil Johanson	
Human Resources	TBA	
Resource Development	Mike Drake	
Gov. Relations/Public Information	Al Sigala	
Research & Planning	Dan Walleri	

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MT. HOOD COMMUNITY COLLEGE
FROM MISSION/VISION TO GOALS/ACTION STRATEGIES

MISSION
A COMMITMENT TO THE COMMUNITY

Goal #1: Knowledge-Based Workforce

Goal #2: Access & Diversity

Mt. Hood Community College affords **all people** a **knowledge-based education**, giving them the ability to make life choices; adapt to change; build strong communities; contribute to and derive benefit from the new economy; and become part of a **skilled workforce**.

VISION

Goal #3: Requirements of Economic Development

The College is dedicated to:

- **Student learning as the most important outcome**.
- Being a comprehensive community college with **initiatives in information, engineering, bio-medical and biological technologies**.
- **Seamless transfer opportunities to colleges, universities and careers**.
- Continued, directly applicable, **learning** at all stages of career and life.
- Striving to meet learning needs when and where students prefer.
- **Providing learner support**.

Goal #5: Student Success

Goal #4: Transitions

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COLLEGE GOALS AND ACTION STRATEGIES

Goal	Coordinator
Goal #1. Knowledge-Based Workforce. Provide knowledge-based educational offerings to meet student and community needs, with a complementary set of student and community support services.	
Action Strategy	
1.1 Strengthen instructional program with aim of achieving highest standards in preparation and outcomes.	Mike Durrer
1.2 Develop an outcomes-based integrated General Education program to compliment discipline specific preparation.	Mike Durrer
1.3 Develop exemplary instructional improvement and evaluation systems (faculty evaluation and educational outcomes assessment).	Mike Durrer
1.4 Design and implement activities to enhance the recruitment, hiring, orientation and mentorship of all college employees to support achievement of a knowledge-based learning community.	Paul Killpatrick
1.5 Strengthen business and industry partnerships with focus on the education and training needs of incumbent workers.	Paul Killpatrick

Goal	Coordinator
Goal #2. Access & Diversity. Provide affordable and attractive option for members of the community seeking a post-secondary education and/or careers, including the creation of an environment in which diversity thrives.	
Action Strategy	
2.1 Increase annual FTE by 3%.	Mike Durrer
2.2 Increase access throughout the district through the development of partnership-based community centers.	Mike Durrer
2.3 Strengthen student recruitment efforts.	Debbie Derr
2.4 Increase the number of local high school graduates attending MHCC.	Debbie Derr
2.5 Strengthen developmental education preparation such that the achievement of under-prepared students will equal that of entering students not needing remediation.	Debbie Derr
2.6 Conduct targeted outreach efforts and create an environment that provides support for an increasingly diverse student population to be successful.	Debbie Derr
2.7 Increase the participation rate of local high school students in dual credit programs.	Paul Killpatrick
2.8 Enhance employee sensitivity and appreciation of diversity.	Paul Killpatrick
2.9 Improve employee recruitment to achieve a college	Bill Becker

workforce reflecting the diversity of the community.

2.10 Develop Distance Education program to provide learning independent of time and place. — Mike Durrer

2.11 Develop and implement and interactive college Web site such that students can obtain comparable services via Web that they could in-person. — Debbie Derr

Goal — **Coordinator**

Goal #3. Requirements of Economic Development.
Develop programs in emerging technologies with emphasis on information, engineering, bio-medical and biological technologies.

Action Strategy

3.1 Design programming in high priority areas -- information, engineering, bio-medical and biological technologies. — Mike Durrer

3.2 Strengthen partnerships with local governments, workforce development agencies, and higher education. — Mike Durrer

3.3 Strengthen programs to prepare a skilled workforce to support economic development in the region. — Mike Durrer

3.4 Act as a catalyst to stimulate economic development. — Mike Durrer

3.5 Design and implement a job development program. — Paul Killpatrick

Goal — **Coordinator**

Goal #4. Transitions. Provide seamless transfer opportunities to colleges, universities and careers.

Action Strategy

4.1 Strengthen university articulation and increase the number of MHCC students transferring to four-year colleges and universities. — Debbie Derr

4.2 Strengthen career services and increase the job placement rate for MHCC graduates. — Debbie Derr

4.3 Increase number of GED, ESL and other outreach program completers who successfully transition to college-level programs. — Debbie Derr

4.4 Plan, design and build partnerships for establishment of a University Center at MHCC, allowing students and local residents the opportunity to earn a four-year degree. — Mike Durrer

Goal — **Coordinator**

Goal #5. Student Success. Provide infrastructure and support services to ensure student success.

Action Strategy

5.1 Increase overall student retention rate by 3%. Debbie Derr

5.2 While preserving existing assets and facilities, plan Bill Becker and propose strategies for facilities expansion to meet the increasing demands of a community undergoing significant growth and cultural transformation.

5.3 Provide sufficient state-of-the-art technology and equipment to support knowledge-based education (Information Technology Strategic Plan). Bill Becker

5.4 Develop a comprehensive resource development program to ensure that financial requirements are secured. Bill Becker

5.5 Enhance/increase student financial aid. Debbie Derr

5.6 Enhance childcare services for students. Debbie Derr

5.7 Enhance instructional support services (tutoring, mentorships, etc.). Paul Killpatrick

COLLEGE GOALS AND KEY INDICATORS OF EFFECTIVENESS

Goal #1. Knowledge-Based Workforce. Provide knowledge-based educational offerings to meet student and community needs, with a complementary set of student and community support services.

Key Indicator

1.1 Graduation/Completion. Maintain level of graduates as a percentage of total annual FTE equal to or greater than that of comparable community colleges in the State of Oregon.
1.2 95% of MHCC graduates will pass licensure/certification examination results.
1.3 Living Wage. Minimum of $10 per hour or $400 per week. Weekly income of professional technical graduates employed after attending MHCC (1st quarter following graduation).
1.4 Achieve General Education outcomes (TBD).
1.5 Faculty Participation. 100% of faculty participate in at least one professional development activity per year.
1.6 Faculty Satisfaction. At least 70% of the faculty rate the performance of the TLC as excellent or very good.
1.7 Customer Satisfaction. 90% of employers/employees rate customized training services as excellent or very good.
1.8 Marketing. Expenditures and measures of effort relative to enrollment levels and growth. Benchmark to be determined.

Goal #2. Access and Diversity . Provide affordable and attractive option for members of the community seeking a post-secondary education, including the creation of an environment in which diversity thrives.

Key Indicator

2.1 Enrollment. Increase annual FTE by 3% for 2002-2003.
2.2 Community Satisfaction. From The Nelson Report (2001) Survey Research Report: "Mt. Hood Community College enjoys an excellent reputation in the community, garnering an extremely high positive rating of 67% (excellent – 20%, pretty good – 47%).
2.3 Increase market share of local high school graduates by 10%.
2.4 Performance of Guided Studies Students. Successful Guided Studies students will achieve retention and academic performance levels comparable to those of non-Guided Studies students.
2.5 Jump Start Enrollment. Increases by 5% in 2002-2003.
2.6 Employee Profile. Percentage of protected classes among MHCC employees approximates community profile.
2.7 Student Body Profile. Percentage of protected classes among MHCC students approximates community profile.
2.8 Performance. Students from protected classes will matriculate, maintain standards of academic progress and complete programs of study at similar rates to students in non-protected classes.
2.9 Cost/Revenue. Comparable to peer colleges.
2.10 Achieve interactive Web time lines (student registration, etc.).
2.11 Distance Education program development. Ten new courses developed each year.
2.12 Distance Education enrollment – increase by 1,000 by 2002-2003.

Goal #3. Requirements of Economic Development. Develop programs with emphasis on information, engineering, bio-medical and biological technologies.

Key Indicator

3.1 Meet Program development and enrollment targets (TBD).
3.2 Meet economic development and job creation targets (TBD).

Goal #4. Transitions. Provide seamless transfer opportunities to colleges, universities and careers.

Key Indicator

4.1 Job Placement (Graduates). 70% of professional technical graduates are employed or continuing their education in field of training.
4.2 Job Placement (Non-Graduate Core Class Completers, 60/30 core credits completed for associate degree/certificate). 60% of professional technical leavers are employed or continuing their education in field of training.
4.3 Number of Transfers. Maintain level of transfer majors attending Oregon University System institutions.
4.4 Transfer Performance. 90% of MHCC transfer students to OUS system maintain a minimum of 2.00 GPA.
4.5 70% of students completing GED, ESL and other outreach programs who desire to will successfully transition to college-credit programs.

Goal #5. Student Success. Provide infrastructure and support services to ensure student success.

Key Indicator

5.1 Retention. Increase overall retention rate by 3%.
5.2 Student Satisfaction. Maintain "excellent/good" overall level of satisfaction with the college in general.
5.3 Course Success. A minimum of 75% of students will receive a C grade or higher.
5.4 Student Satisfaction. Maintain "excellent/good" overall level of satisfaction with the college in general.
5.5 Increase Library base budget by 10% a year.
5.6 Implement Facilities Master Plan.
5.7 Facilities maintenance schedule is implemented according to specified time lines.
5.8 Facilities Management customer satisfaction -- TBD.
5.9 Fund Raising. 10% increase annually.
5.10 Capital Campaign. Targets achieved.
5.11 Technology Funding Level. Maintain budget target for technology funding (currently 2.25% of annual operating budget).
5.12 Computer User Satisfaction. Maintain "excellent/good" overall level of satisfaction.
5.13 Equipment Objective. Provide sufficient state of the art equipment (monitored by funding distribution across areas).
5.14 Campus Climate. Benchmark for campus climate established in survey conducted in spring 2000 with plans to repeat the survey each year. Indicator question: percentage agrees with statement that "MHCC is a supportive environment in which to work."
5.15 Increase number of students receiving financial aid (target TBD).
5.16 Increase number of childcare slots for students (target TBD).
5.17 Increase number of students receiving instructional support services (target TBD).

Overview of Budgetary Planning Process

This document describes the budgetary planning process and fiscal guidelines for FY02-03. Specific definitions and timelines are provided to assist in development of each department's budget. Refer to the provided Budget Development Calendar for specific dates of key events.

A Long Term Perspective

Adopting a long-term perspective maximizes future options available and aids in identifying potential problems. A key component is the revenue and expenditure forecast. Revenue and expenditure forecasting does the following:

- Provides an understanding of available funding.
- Evaluates financial risk.
- Assesses the likelihood that services can be sustained.
- Assesses the level at which capital investments can be made.
- Identifies future commitments and resource demands.
- Identifies the key variables that cause change in the level of revenue.

Budget Management and Accountability

Each budget manager is accountable for the overall accuracy of his/her budgets and for actual results. Managers are expected to achieve results consistent with budget plans and/or provide timely, itemized explanations for material variances. Changes from budget plans and/or errors should be timely reported in writing to President's Council. President's Council will decide appropriate action.

Each major area is expected to achieve its goals and operate within its budgeted expenditures. To the extent this is not achieved, the College experiences financial disequilibrium and other units are adversely affected. Material surpluses and deficits will be taken into account by President's Council in subsequent budget allocations.

Budget managers must plan for all expenditures related to new or continuing programs within the budgets allocated, including all operating expenses, equipment (new or replacement) and space requirements.

Communications

Budget managers are to include faculty and staff in discussion of College goals and the development of unit goals and budget development.

Incentives

The budget development and operational plan guidelines presented are not significantly different than those presented in prior years. President's Council desires that the operating and budget plans guide the College in its' quest to achieve the goals set by the Board of Education. Success is dependent, therefore, on full disclosure of an area's plans and its financial needs. An area's historic ability to present its plans, accurately describe needed resources and execute those plans will be considered in the allocation of future resources.

There is a strong temptation to engage in "gamesmanship" when competing for scarce resources. Areas are cautioned not to do so. After budget approval, President's Council does not expect to receive requests for financial resources for needs, which were known, or could have reasonably been anticipated, during the planning process.

Assumptions

Strategic planning for the FY 02-03 budget has been underway for some time. This has been done using assumptions about future revenues and enrollments, longitudinal data from the College's past financial performance and known contracted and fixed costs. The major assumptions included:

External Assumptions

- The Oregon economy will continue to slow.
- The higher education price index will experience a 5% increase.
- The Urban Consumer Price Index increase will remain in the 3.5% to 4.0% range.
- Externally imposed laws and regulations will continue to increase costs.
- Fixed costs related to utilities, insurance, tax increase and election costs will require additional resources.
- Federal financial aid available to the College will remain stable.

Internal Assumptions

- The predicted 3% enrollment growth projected will be achieved.

- Student retention will be increased by 3%.
- Grant funded projects will continue to require support and space from the College general fund.
- College fiscal reserves will be targeted at 8% of projected revenues and adjusted to respond to changing state funding and tuition revenues in FY 02-03.
- Fixed costs related to contracted salaries, wages and benefits will require additional resources.

The College's multi-year financial projections portray the College's fiscal condition and guide decision-making on next year's budget.

Unit Budget Development

The College budget will support the overall vision and mission of the College. Therefore, it is imperative that each unit's budget be developed in support of the College goals noted below.

Goal 1. Knowledge-Based Workforce. Provide knowledge-based educational offerings to meet student and community needs, with a complimentary set of student and community support services.

Goal 2. Access and Diversity. Provide affordable and attractive options for members of the community seeking a post-secondary education, including the creation of an environment in which diversity thrives.

Goal 3. Requirements of Economic Development. Develop programs with emphasis on information, engineering, biomedical and biological technologies.

Goal 4. Transitions. Provide seamless transfer opportunities to colleges, universities and careers.

Goal 5. Student Success. Provide infrastructure and support services to ensure student success.

See attachment IV for complete listing of College goals and Action Strategies.

Budget Center

"Budget Center", for the purposes of this document, refers to a discretely budgeted unit such as an instructional division, discipline, or department. Budget Center managers, i.e. Vice Presidents, Associate Vice Presidents, Deans, Directors and Supervisors are responsible for executing and monitoring the budget of the operational unit in a manner that makes effective use of resources and does not result in an over expenditure of their budget. Budget managers are to include faculty and staff in discussion of unit objectives and budget development.

Budget Presentations

Budget review presentations will be held between November 5 and November 30, 2001. The purpose of these presentations is to provide an opportunity for Budget Center managers to discuss their programs, program needs and program resources with the President, Vice Presidents, and the Budget/Accounting office.

Enhancements

Departments wishing to request additional funding may do so by submitting an enhancement request. All enhancement requests must be entered in the Operational Planning Word template with the estimated costs that are associated with the enhancement. *Refer to Attachment I for Operational Planning guidelines and instructions.* In the Word template, identify if the enhancement will require a one-time expenditure or be recurring. There are currently four budget options for costs to be entered. The options are Salary, Fringe Benefits, Materials & Services and Capital Outlay. For planning purposes, Capital Outlay equipment is a single item that is $5,000 or more in value and has a useful life of one year or more. Items of less than $5,000 must be budgeted within Materials & Services, i.e. supplies. All requests for equipment must include the cost of shipping, set-up, and any facility charges, including wiring, required to accommodate the equipment being purchased.

The table below will assist in determining the cost of new positions for enhancements in 2002-03:

	Salary	Fringe Benefit Amount or Rate

Full-time Faculty Position	$48,000*	$21,600
Full-time Support Position Average Cost	$33,650*	$15,000
Telephone & Supplies per 1.0 FTE		$600
Part-time Faculty	TBD	26% of Salary Amount
Part-time Hourly	TBD	26% of Salary Amount
Student Aide	TBD	3% of Salary Amount

*Faculty salary schedule step 8, Classified salary range 30, step D

*Use the 45% fringe rate only if the position will be 1 FTE. Contact JoAnn Zahn in the Budget Office for fringe rates for a less than full-time position.

*To determine salary and fringe costs associated with grant funding, please contact Jennifer DeMent in the Grants and Contracts office.

The actual cost of other, non-personnel enhancements, including materials and services and equipment, should be included at the amount desired.

Modification of Line Items

Transfers within budget centers may occur between and among line items, as noted in the table below, subject to department discretion and with the approval of a Vice President. Amounts budgeted for equipment in the adopted budget may not be decreased. However, they may be increase by a budget transfer. Capital equipment refers to individual items with a life of one or more years and a value of $5,000 or more. Items that do not meet this criterion should be purchased from a supply line item.

Control Points

Control points define object codes for which budget transfers may or may not be made. In maintaining fiscal integrity, the District must focus on the conservation of resources where feasible and assure cost-effective use of existing resources. To enable better management of the budget, control points have been developed and are intended to better insure the expenditure of resources for their budgeted purposes.

To achieve this objective, the following budget transfer control points are in effect:

SALARY AND WAGE	5001-5999	Once budgeted full-time salaries, wages and benefits have been adopted, budget adjustments to salary and wage accounts will not be permitted except under extenuating circumstances. Any such request will be reviewed by the Vice President of Administrative Services for approval by the President or his designee. Requests for changes should be directed to the budget office for consideration. Transfers for part-time hourly, student aide, part-time tutors and part-time instructor budgets can be made between and among these accounts within departments without presidential approval.
SALARY SAVINGS		Budget transfers for lapsed salary savings will generally not be allowed. The budget office will periodically transfer such lapsed salaries to contingency.
MATERIALS & SERVICES	7000-7700	Transfers may be made between and among materials and services line items.
TRAVEL	7250-7256	Travel budgets contained in the adopted budget may not be *increased* except for the following: Funds budgeted for travel can only be moved between programs *within a department*, i.e. from Nursing to Nursing Assistant. Funds budgeted for travel can be moved from one travel category (conference travel) to another travel category (field trips) *within a department.*
EQUIPMENT UNBUDGETED ITEMS	8300 (8100-8999)	Amounts budgeted for equipment may not be decreased and transferred elsewhere. Should an item be omitted from the adopted budget, or a new budget line is necessary, budget centers will first be directed to transfer funds from budgets within their area. Requests for contingency transfers will only be considered after a departments' available budget has been exhausted. Requests for contingency funding shall be directed to the budget office with sufficient justification for consideration. All such requests shall be reviewed by the Executive Vice President of Administrative Services for

		approval by the President or his designee.

Base Budget

First, please remember that budget managers are expected to include all department staff and faculty in discussions regarding budget development for their unit.

Each budget unit manager will receive a base budget. The base budget is to be reallocated as deemed necessary to achieve College goals. The base budget has been developed from the FY01-02 adopted budget adjusted to reflect organizational changes, salary and benefit changes, and corrections and reallocations that were approved subsequent to adoption. To begin development of the FY02-03 budget, budget managers are to: 1. review the base budget; 2. make any necessary reallocation among the line items (except salaries and fringe); 3. enter these changes in the CARS budget module. **Department base budget totals shall remain unchanged in this effort.** The budget entered will become the proposed FY02-03 budget. This base budget may be adjusted during the ensuing budget discussions.

The following adjustments will be included in the FY 02-03 base budget:

- Contracted and approved salary, wage and benefit increases.
- The budget will reflect salaries that have been adjusted for known retirements.
- Organizational staffing changes are reflected.
- An inflationary increase of 2% for materials and services budgets will be allocated upon the recommendation of the Vice President of each division.

To guide in development of the FY02-03 budget, budget managers will be provided with current information on the FY01-02 budget and FY 00-01 actual expenditures. The FY 01-02 adjusted budget reflects adjustments due to reorganization.

A 10% increase in funding over the FY 01-02 will be include in the proposed budget for continued support of the library collection acquisitions. As noted above, the 2% inflationary increase for materials and services budgets will be allocated among units upon the recommendation of the Vice Presidents of each division.

Individual department managers will have the opportunity to adjust their budgets from February 1 – 15, 2002. Fixed costs, including utilities, telephones, postage and college-wide contractual obligations will be funded at the levels required to maintain services.

The following reports will be provided for assistance in developing the FY 02-03 proposed budget:

- Budget worksheet
- District positions and account numbers for individual divisions/departments
- Financial information for prior three years actual expenditures for individual departments/divisions

CARS user's guide

Changes can be made to all non-personal services (e.g. supplies, travel, contracted services) budget categories via the CARS budget module using "Allocate Budget".

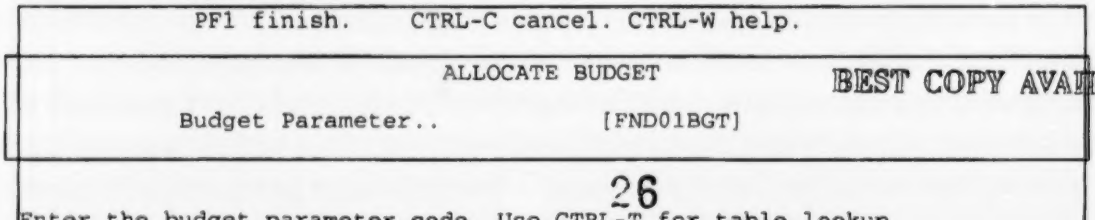
After desired changes to materials and services line items have been indicated on the budget worksheet, Budget Managers will then enter these changes into the 02-03 requested budget in the CARS budget development module by accessing the "Allocate Budget" option of the "Dean's menu".
Only the Budget Office will enter reallocation of personal services. Any preferred changes to personal services allocation must be forwarded to the Budget Office.

Area input begins February 1, 2002 and should be completed by February 15, 2002.

Using Allocate Budget

From the Dean's menu, select "Dept/Div Budget Entry".

This selection will move to the Budget Parameter screen where the user will be prompted to enter the budget parameter code. Type FND01BGT for general fund (01) account and depress the "/" key located next to the "num-lock" key. Budget Managers preparing budgets for other than general fund (01) will substitute the appropriate fund identifier for the "01", i.e. "49" for Telecommunications Fund.



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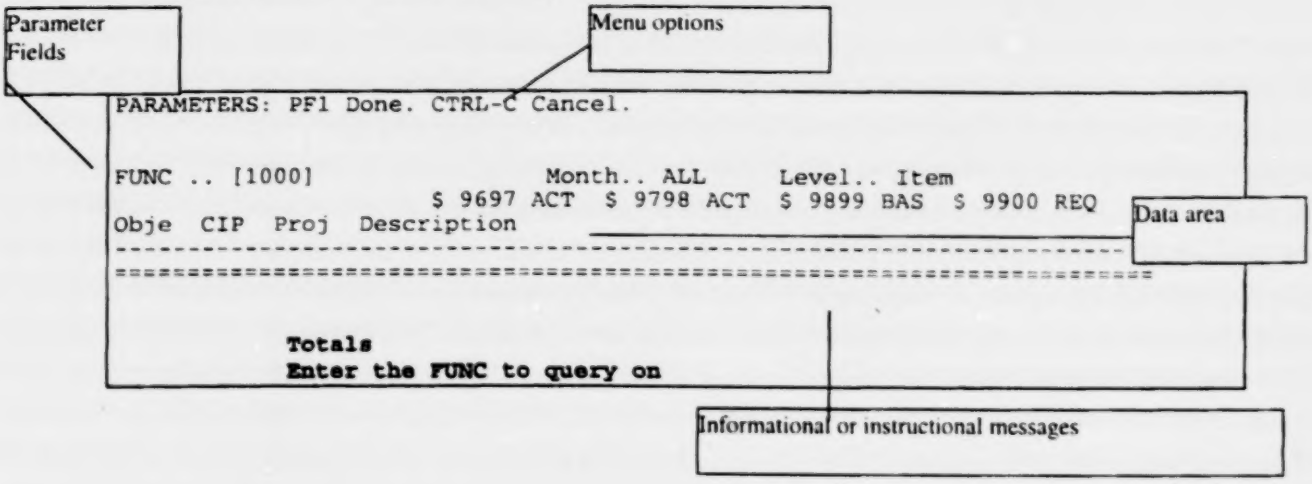
The next screen is the Query screen within the Budget Development Module. This screen allows the user to query on different budgets by entering various function numbers. The cursor position when upon entering the screen will be inside the brackets located adjacent to the FUNC field. While the cursor is in this position, enter the 4-digit function code that identifies the budget unit for query or budget changes. No further keystrokes are necessary to display the budget for the selected function number. The cursor will have returned to the top of the screen, next to the options menu.



To enter changes, select Allocate from the options menu at the top of the screen. This will place the cursor in the last column titled "$0001 REQ". In this position, using the arrow keys, move downward through the screen until the desired line item is reached. When changes have been entered, depress the "/" key and select Write from the options menu to save any changes.

Using Query from the menu and entering a new 4-digit function number can select another budget unit. When all changes are complete, and the input has been written or saved, leave the Allocate Budget screen be selecting Exit and Y for Yes.

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Ordering Reports

To order hard copy reports for division or department budgets, from the Dean's menu, select Functions. This option will display the "Budgeting: Function Reports Menu", as shown below. Options "4 Column Detail", 1Column Detail" and "Variance Detail" are the most commonly used reports. Option "4-Column Detail" will display four years of budget detail for either one function or a range of functions; option "1 Column Detail" will display one year's budget detail; and "Variance Detail" reports the variance (difference) between two year's budget detail.

```
Budgeting: Function Reports Menu

[a] 4 Column Detail              [f] 1 Column Summary
[b] 1 Column Detail              [g] Variance Summary
[c] Variance Detail              [h] Budget Profit Center
[d] Detail by Month              [I] Budget Request Forms
[e] 4 Column Summary


[E] Exit          [O] Output Screen       [U] Utility Menu
[H] Help          [P] Parent              [W] Word Processing
[L] Lock Screen   [R] Report History      [Y] Your Menu
[M] Mail          [S] Sched Procs
[N] News          [T] Tasks               DATABASE: Cars

                [  ] ← Enter Option
```

As an example, selecting option "4 Column Detail" will display the following parameter screen:

```
PF1 finish. CTRL-C cancel. CTRL-W help.


                          4 COLUMN DETAIL
Sort Field.....................................
Responsible Person.............................. Y
First Fiscal Yr/Amount Type..... 9899 [ACT]
Second Fiscal Yr/Amount Type..... 9900 ADO
Third Fiscal Yr/Amount Type..... 9900 ACT
Fourth Fiscal Yr/Amount Type..... 0001 PRO
Fund Code Range.......................... 01 - 79
Function Code Range.................. 0000 - 9999
Object code Range.................... 4000 - 9999
Project Code Range.....................    - 9999
Output Non-Display Object....................... Y
Subtotal by Schedule/Group...................... N

Enter the amount type code. Use CTRL-T for table lookup.
```

Change fund code range to read "Function

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NOTE: The "information or instructional" area of the screen contains an instruction which corresponds to the field in which the cursor currently resides as well as the message "Use CTRL-T for table lookup. CTRL-T will display all the available options for each field. The shaded area on the sample screen above indicated the fields that must be completed to order a report.

Some words of warning! As this parameter screen is completed be aware of the following:

- Fund Code Range defaults to 01-79. Changing the range from 01-79 to 01-01 will order a report that contains only fund 01 (general fund).
- Function Code Range will produce a report for one budget. Entering 1001-1001 would deliver a report for Allied Health/HPE Office Operations, while 100-1058 would deliver a report for all of Allied Health/HPE.
- The Object Code Range nor the Project Code Range need to be changed unless a specific range is to be request, for example, salary object codes only.
- The CARS system contains financial data for fiscal years 96-97, 97-98, 98-99, 99-00, 00-01 and budget information for 01-02.
- The Amount Type should be ACT =actual or ADO =adopted budget.

When finished entering parameters for the report, the "/" key will complete the process and the Output Parameters screen will be displayed. Depressing the "/" key once more will order the report.

Glossary

Following are some commonly used budgeting terms:

Adopted budget - The financial plan adopted by the governing body (MHCC Board of Education), which forms a basis for appropriations.

Ad valorem tax - A property tax computed as a percentage of the value of taxable property. (See "assessed value.")

Appropriation - Authorization for spending a specific amount of money for a specific purpose during a specific period of time. Based on the adopted budget, including supplemental budgets, if any. Presented in a resolution adopted by the governing body.

Approved budget - Financial plan approved by the budget committee and presented to the governing body (Board of Education) for adoption.
The data from the approved budget is published in the Financial Summary before the budget hearing.

Assessed value - Value set on real and personal taxable property as a basis for levying taxes.

Audit - The annual review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State.

Audit report - A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders and regulations.

Budget - Written report showing the local government's comprehensive financial plan for one fiscal year. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year.

Budget committee - Governing body of certain municipal corporations to be budget committee. The governing body of each municipal corporation having a population exceeding 200,000 and which is located in a county having a tax supervising and conservation commission shall be the budget committee for such municipal corporation. ORS 294.341

Budget message - Written explanation of the budget and local government's financial priorities. Prepared by the executive officer or chairperson of the governing body.

Budget officer - Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget.

Capital outlay - Items that generally have a useful life of one or more years, such as machinery, land, furniture, equipment or buildings and a value of $5,000 or more.

Debt Service Fund - A fund established to account for payment of general long-term debt principal and interest.

Expenditures - Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis.

Fiscal year - A twelve-month period beginning July 1 and ending June 30.

Fund - A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

General Fund - A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund.

Governing body - Board of Education.

Internal service fund - A fund used to account for fiscal activities when goods or services are provided by one department or agency to other departments or agencies on a cost-reimbursement basis.

Levy - Amount of tax imposed by a local government for the support of governmental activities.

Line-item budget - The traditional form of budgeting, where proposed expenditures are based on individual objects of expense within a department or division.

Object classification - Classification of expenditures, such as personal services, materials and services, capital outlay, debt services, and other types of requirements. Also called category.

Program - A group of related activities to accomplish a major service or function for which the local government is responsible.

Proposed budget - Financial and operating plan prepared by the budget officer, submitted to the public and budget committee for review.

Reserve fund - Established to accumulate money from one fiscal year to another for a specific purpose.

Resolution - A formal order of a governing body.

Resource - Estimated beginning funds on hand plus anticipated receipts. See "Revenues."

Revenues - Monies received or anticipated by a local government from either tax or non-tax sources.

Special revenue fund - A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specific purposes.

Supplemental budget - Prepared to meet unexpected needs or to spend revenues not anticipated at time regular budget was adopted. Cannot be used to authorize a tax levy.

Transfers - After the budget is adopted, it often becomes necessary to increase the total expenditures of a fund or an object classification. Funds may be transferred either between object classifications, within object classifications or from the General Fund to another fund, which usually also requires the transfer of resources.

Intrafund transfers - Appropriations can be transferred within a fund from an existing appropriation to another existing appropriation. For example, within a general fund, appropriations can be transferred **by resolution** from the existing materials and services appropriation to the existing capital outlay appropriation. It is also possible to transfer funds within an object classification, for example, from office supplies to graphic services. This type of transfer does not require a resolution, but can be accomplished by completing the Budget Transfer Request form.

Interfund transfers - Appropriations can be transferred during the fiscal year from the general fund to another fund by a resolution. A transfer of resources is usually required when appropriations are moved between funds. Resolution transfers cannot move appropriations between Special revenue funds or from a special revenue fund to the general fund. All funds except the general fund are considered special revenue funds for the purposes of resolution transfers.

Trust fund - A fund used to account for fiscal activities of assets held in trust by a local government.

Unappropriated ending fund balance - Amount set aside in the budget to be used as a cash carryover to the next year's budget to provide the local government with needed cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget.

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